

**STATE WATER RESOURCES CONTROL BOARD  
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE  
JUNE 7, 2022**

**ITEM 3**

**SUBJECT**

CONSIDERATION OF A PROPOSED RESOLUTION TO ALLOCATE UP TO \$150,000 IN ADDITIONAL FUNDS FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA) FOR PHASE 1 OF THE NEWPORT BAY *CAULERPA PROLIFERA* ERADICATION PROJECT (PROJECT)

**DISCUSSION**

In May 2021, the Santa Ana Regional Water Quality Control Board (Santa Ana Regional Water Board) submitted a request for CAA funds for the Project, to address the *Caulerpa prolifera* infestation in the China Cove area in Lower Newport Bay, which was discovered in April 2021.

The Deputy Director of the Division of Financial Assistance has approved a total of \$500,000 from the CAA for the Project, which consists of mapping and monitoring of *Caulerpa prolifera* infestation, removal, and eradication of any regrowth. These funds are projected to be sufficient to complete work through May 2022.

The Project was initially expected to take approximately seven months to complete; however, the Project has been complicated to implement since limited information is known about this particular species of *Caulerpa*. It is also easily confused for detrital eelgrass which makes identification and removal of *Caulerpa prolifera* difficult. Though the biomass has been reduced by more than 4000 percent, the presence of thick eelgrass at this location has made it difficult to identify and remove *Caulerpa prolifera*. Considerable time is needed for individual divers to survey areas multiple times to ensure that all *Caulerpa prolifera* regrowth has been removed. Neap tide conditions are also necessary for divers since eelgrass stands mostly upright making *Caulerpa prolifera* identification easier. These methods have improved the divers' abilities to find and remove *Caulerpa prolifera* from thick eelgrass beds, but more work and time is required to complete the Project. The Phase 1 Project is not considered to be completed until three consecutive diver surveys result in zero finds of *Caulerpa prolifera*.

The Santa Ana Regional Water Board anticipates that an additional \$200,000 is needed to complete Phase 1 of the eradication plan and has requested an additional \$150,000 from the CAA, and an extension of the work completion date from May 31, 2022 to October 31, 2022. Since the total CAA request of \$650,000 for the Project exceeds the \$500,000 threshold for DFA approvals delegated in [Resolution No. 2018-0056](#), State Water Resources Control Board (State Water Board) approval of the additional \$150,000 is required.

Given the nature of the project and the funds provided from the CAA to date, State Water Board staff propose initially providing up to \$100,000 to conduct additional surveys. Upon exhaustion of these funds, the State Water Board would provide the remaining \$50,000 of the request, contingent upon the provision of a \$50,000 match from the City of Newport Beach to fully complete the Project. Commitments from other funding sources are in process to complete Phase 2, which consists of two to three years of quarterly dive surveys to ensure that no regrowth occurs, and that complete eradication of this infestation can be confirmed.

The requested allocation is consistent with the purposes of Water Code section 13442, which provides that the State Water Board may approve the payment of moneys from the CAA to a public agency to assist in cleaning up a waste or abating the effects of a waste on waters of the state. Consistent with the [CAA Funding Program Guidelines](#), adopted by the State Water Board on December 11, 2018, this Project is categorized as a Tier 1 project that requires immediate action to mitigate a significant threat to the environment or public health and safety. On May 28, 2021, the Deputy Director of DFA determined the Project is exempt from the California Environmental Quality Act under a categorical exemption for emergency projects (California Code of Regulations, Title 14, Div. 6, Ch. 3, Article 19, Section 15308).

## **POLICY ISSUE**

Should the State Water Board approve the allocation of up to \$150,000 in additional CAA funds, for a total of \$650,000 in CAA funds for the Project, with the following conditions:

- a. Only \$100,000 will be initially approved, with the remaining \$50,000 contingent upon the provision of a \$50,000 match from the City of Newport Beach.
- b. The funds will be available until October 31, 2022, with any unexpended funds reverting to the CAA as of December 31, 2022, unless Deputy Director or Assistant Deputy Director of the DFA authorizes an extension.

## **FISCAL IMPACT**

CAA cash balances are adequate to cover projected Project expenditures.

## **REGIONAL BOARD IMPACT**

Santa Ana Regional Water Board and the Southern California Caulerpa Action Team (SCCAT) are supportive of the Project.

## **STAFF RECOMMENDATION**

Staff recommends that the State Water Board adopt the proposed Resolution.